

The Pace & Direction of Growth:

Policy Options for El Paso, Texas



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PLANNING, RESEARCH AND DEVELOPMENT DEPARTMENT
CITY OF EL PASO, TEXAS

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Introduction

The pace and direction of growth—how a community houses, employs, educates and otherwise accommodates its citizenry—is a critical issue for a community to address. It is one that shapes the city’s physical character, affects the natural environment, influences private investment, impacts public expenditures, shapes traffic flows, and sways life-style choices. This report examines how and where growth has occurred within the corporate limits of El Paso, Texas and contains various policy options that may shape the direction and pace of future city growth.

An important goal of this report is to describe techniques that the local government may use to better manage and guide growth. It also anticipates both intended and unintended consequences of these growth strategies. Contrary to public opinion, there is not a one size fits all approach to growth management. Any strategy must achieve a reasonable balance, anticipating and planning for economic development and growth in a timely, orderly and predictable manner. The opportunity to implement change at the municipal level is possible given the level of autonomy granted by the state to home rule communities like El Paso, Texas.

It is important to note that the menu of options described in this report may not comprehensively identify all options available for a municipality, or fully detail each option. Many variations of the options listed herein may be pursued, however, further analysis and study will be required to determine the particular impact any policy decision may have on the physical, economic and fiscal character of the city. It is only after a preferred policy is identified that these impacts may be studied in detail with any degree of accuracy. For example, the impact of a tax abatement program on the city's short term fiscal condition may only be estimated if the parameters of such a program are known. Without knowing what types of properties would be eligible for such a program, it would be difficult to calculate the long term impact of such a program.

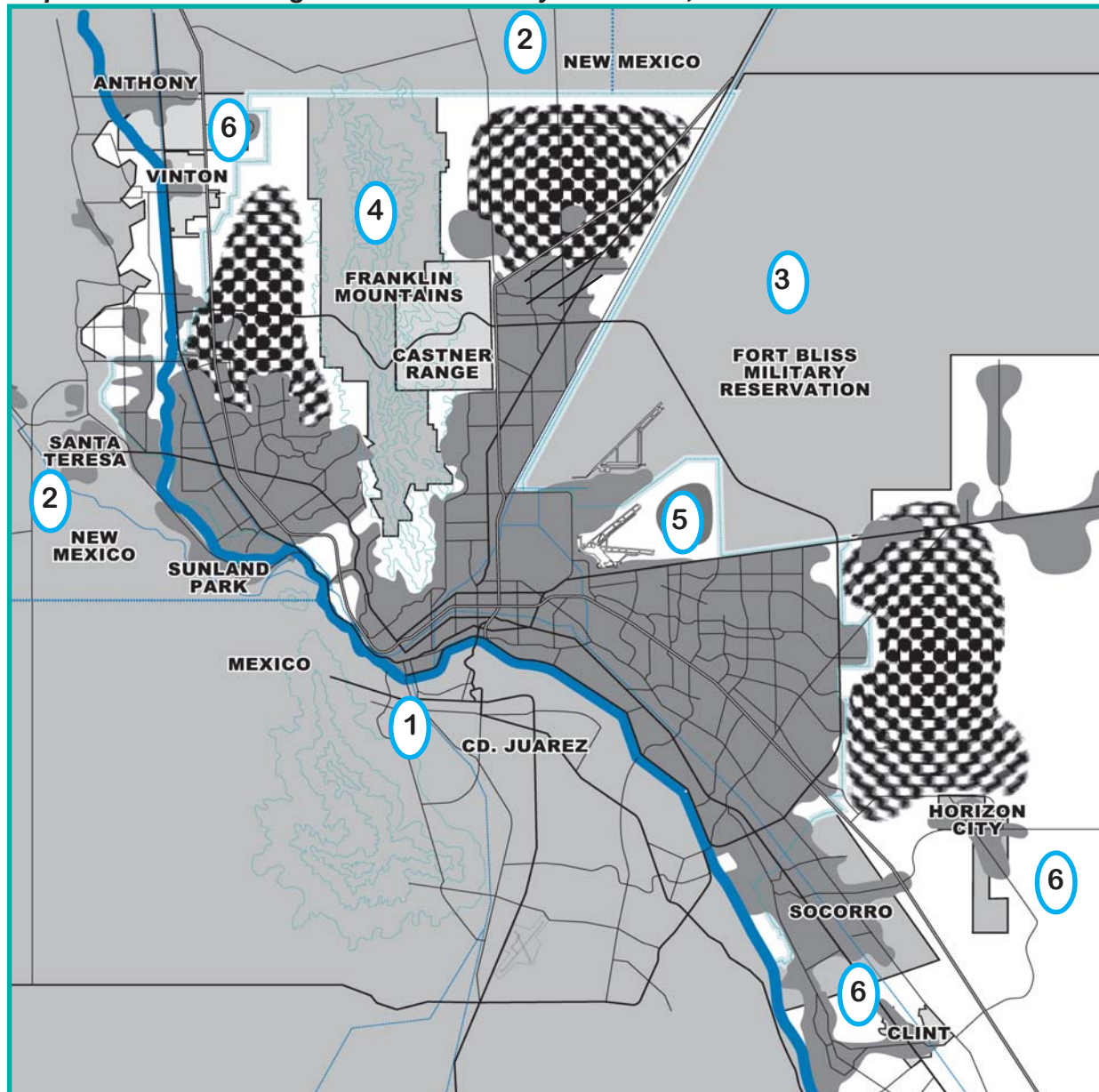
Summarily, this report presents a menu of options from which policy makers may select preferred alternatives. The impact of these choices on the city's resources can only be surmised after the policy options are selected.

Growth – a stage in the process of growing; the process of growing. In the context of urban development, growth refers both to development in the process of being built and already developed areas.

Terminology – Appendix B contains a listing of planning terms and definitions used in growth management and growth policy debates.



Map 1. Growth Limiting Factors for the City of El Paso, Texas



Factors Limiting Growth for El Paso, Texas



Existing urbanized area in El Paso area region



Potential growth areas outside urbanized areas



Unavailable for potential growth to City of El Paso

1 Mexico

2 New Mexico- Texas state boundary

3 Fort Bliss Military Reservation

4 Franklin Mountains & Franklin Mountain State Park

5 El Paso International Airport

6 Incorporated municipalities of Socorro, Horizon, Clint, Anthony and Vinton

Growth-Limiting Factors

To begin the policy discussion regarding growth, it is important to understand the particular geographic location of the city and its growth-limiting factors. A summary on current limitations to growth is provided below and augmented in the side bar on this page. The particular geographic location of the city is arguably the most limiting factor.

There are various political and geographic factors that limit the direction that El Paso can grow. The geo-political boundaries include the jurisdictions of other municipalities and even that of another country. First, El Paso's southernmost boundary is the international boundary between the United States and Mexico. Second, the incorporated Texas municipalities of Anthony and the Village of Vinton to the northwest and Clint, Socorro and Horizon City to the east and their respective extraterritorial jurisdictions limit the direction where the city can grow. Finally, there are pockets of federal land that are not considered part of the municipality, namely Fort Bliss and Castner Range, around which the City has grown.

The factors related to the region's geography which limit growth include the location of the El Paso International Airport—adjacent to the military reservation—and the location of the Franklin Mountains State Park within the mountain range and upon which development is limited by state legislation. Map 1 illustrates these limitations on growth and further identifies potential growth areas at the peripheries of currently urbanized areas. This illustration shows that the path of growth for peripheral development is to the:

1. Northwest between the New Mexico state line, excluding Anthony and Vinton, and the Franklin Mountains;
2. Northeast between the Franklin Mountains and Fort Bliss and airport land; and,
3. East bounded by military property and the incorporated cities of Socorro and Horizon.

Commentary - The city's geo-political boundaries pre-determine the direction of new development. Within the corporate limits, growth areas are mostly to the northeast and northwest. Outside the corporate limits, both the east and northwest contain potentially developable land. Growth areas in the northeast are bounded by Railroad Drive and Ft. Bliss property to the east and the Franklin Mountains State Park to the west. The east area is bounded by Montana Avenue to the north and Interstate Highway 10 to the south. In the northwest, the potential growth corridor consists of the area between the Franklin Mountains State Park and the state line with New Mexico. The terrain in the northeast and northwest consists mostly of hill slopes and arroyos, whereas the terrain is relatively flat desert in parts of the northeast and in most of the east.

Historical Growth

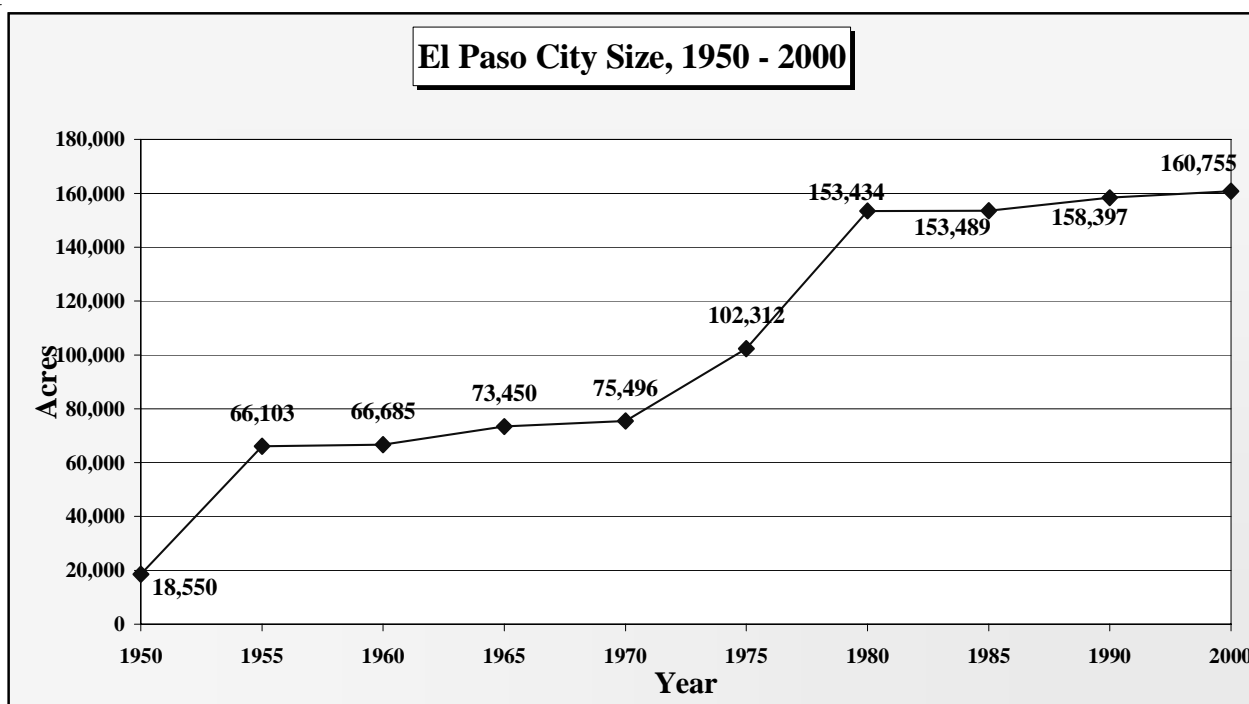
El Paso has grown from a small town of almost seven square miles and about 10,000 people in 1889 to a major city over 251 square miles in area and a population of over 563,000 in 2002. From 1950 to the present, the City's total land area has increased nearly tenfold while population growth has more than quadrupled. From 1950 to 1970, the City size and population increased from 28.9 square miles and about 130,000 people to 117.9 square miles and 322,000 people. Since 1970, the City's total land area has more than doubled. The series of charts (Charts 1 to 3) that follow illustrate the City's population and physical growth. Chart 3 shows the population density for this time period.

The pace and direction of this growth has largely been determined by new subdivision development, some of this driven by annexation actions. It is important to understand both the annexation and subdivision process to better comprehend the growth trends.

Table 1. Population, Housing and City Size, City of El Paso, 1950 - 2000

<u>Year</u>	<u>Population</u>	<u>Housing Units</u>	<u>Acreage</u>
1950	130,485	n/a	18,550
1960	276,687	78,517	73,356
1970	322,261	92,704	75,482
1980	425,259	134,368	153,159
1990	515,342	168,625	158,346
2000	563,662	193,663	160,704

Chart 1. Total Land Area, City of El Paso, 1950 - 2000



Annexation

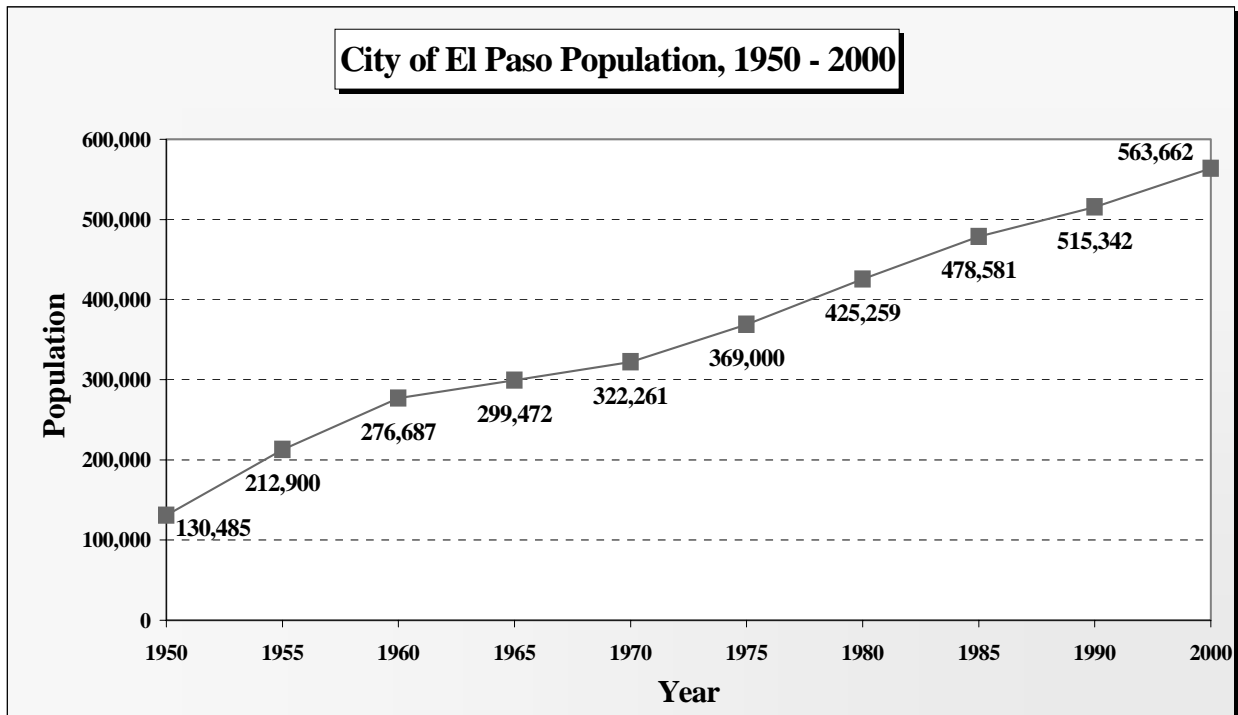
Annexation is the process by which a city extends its municipal services, regulations, voting privileges and taxing authority to new territory. Cities annex territory to provide urbanizing areas with municipal services and to exercise regulatory authority necessary to protect public health, safety and general welfare.

It is also a means of ensuring that residents and businesses outside a city's corporate limits who benefit from access to the city's facilities and services share the tax burden associated with constructing and maintaining those facilities and services. Annexation may also be used as a technique to manage growth.

Annexation actions have fiscal implications. The costs of providing municipal services must be weighed against the anticipated revenues of areas proposed for annexation. A fiscal analysis showing a positive cash flow should not always be the determining factor in the decision to annex. There will be instances when health, safety, environmental or other factors will override purely fiscal considerations and an area may need to be annexed despite a potentially negative fiscal impact. Some annexed areas may have negative short-term financial impacts, but in the long run may prove to be in the best financial interest of the city.

The city's last annexation action in 1999 totaled 1,850.560 acres and brought the total city size to 160,704.377 acres or 251.101 square miles.

Chart 2. City of El Paso Population, 1950 - 2000



Annexation History

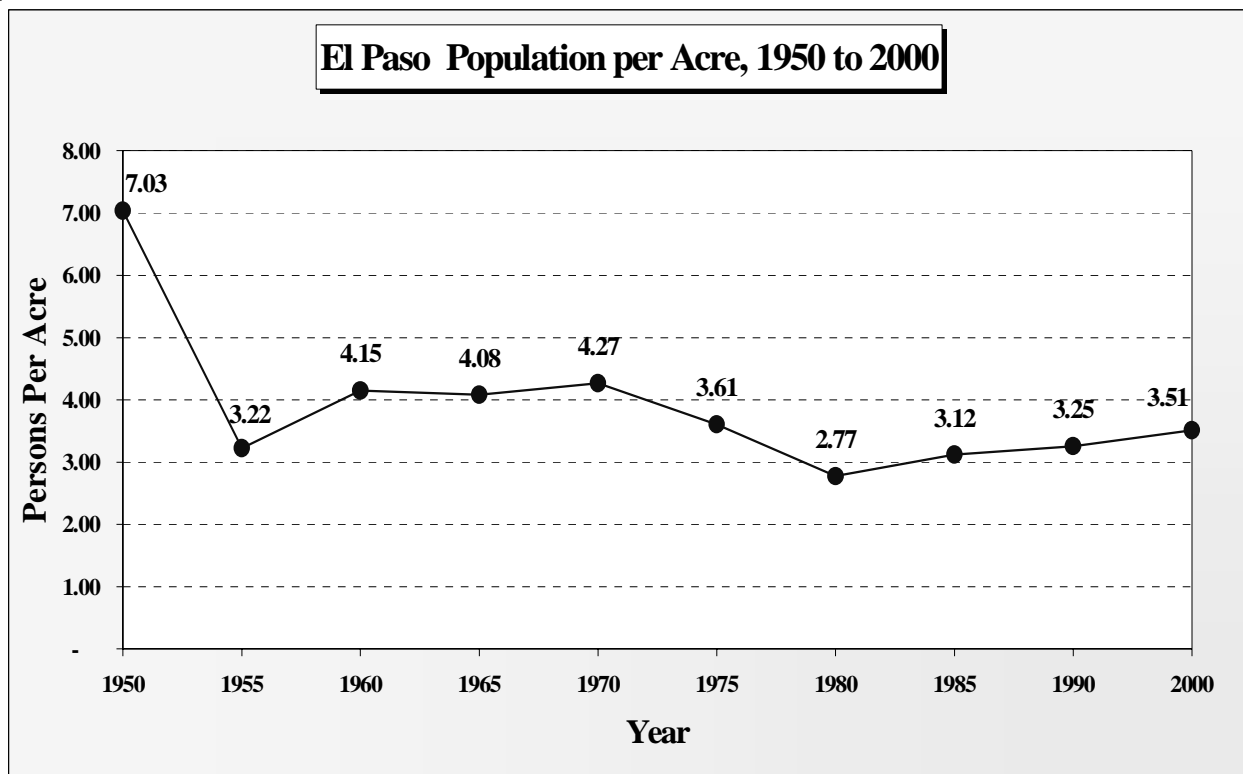
El Paso's growth can be largely attributed to a total of eighty-one (81) annexations that have occurred over the last one hundred years as illustrated in Map 2. Appendix A also provides additional details of annexation actions by date and size of area annexed. The City doubled its size in the 1970's when almost one hundred twenty-five (125) square miles of land were annexed. Prior to 1999, the last major annexation occurred in 1980 when a total of twenty-three (23) square miles were annexed in Northwest El Paso. El Paso's last annexation occurred in 1999 when 3.679 square miles were annexed. Table 2 contains a listing of select annexation actions, those incorporating more than 1,800 acres, over the course of the last one hundred years. Map 2 on the following page also shows the physical growth in the City based on annexation actions compiled by decade.

Extraterritorial Jurisdiction Area (ETJ)

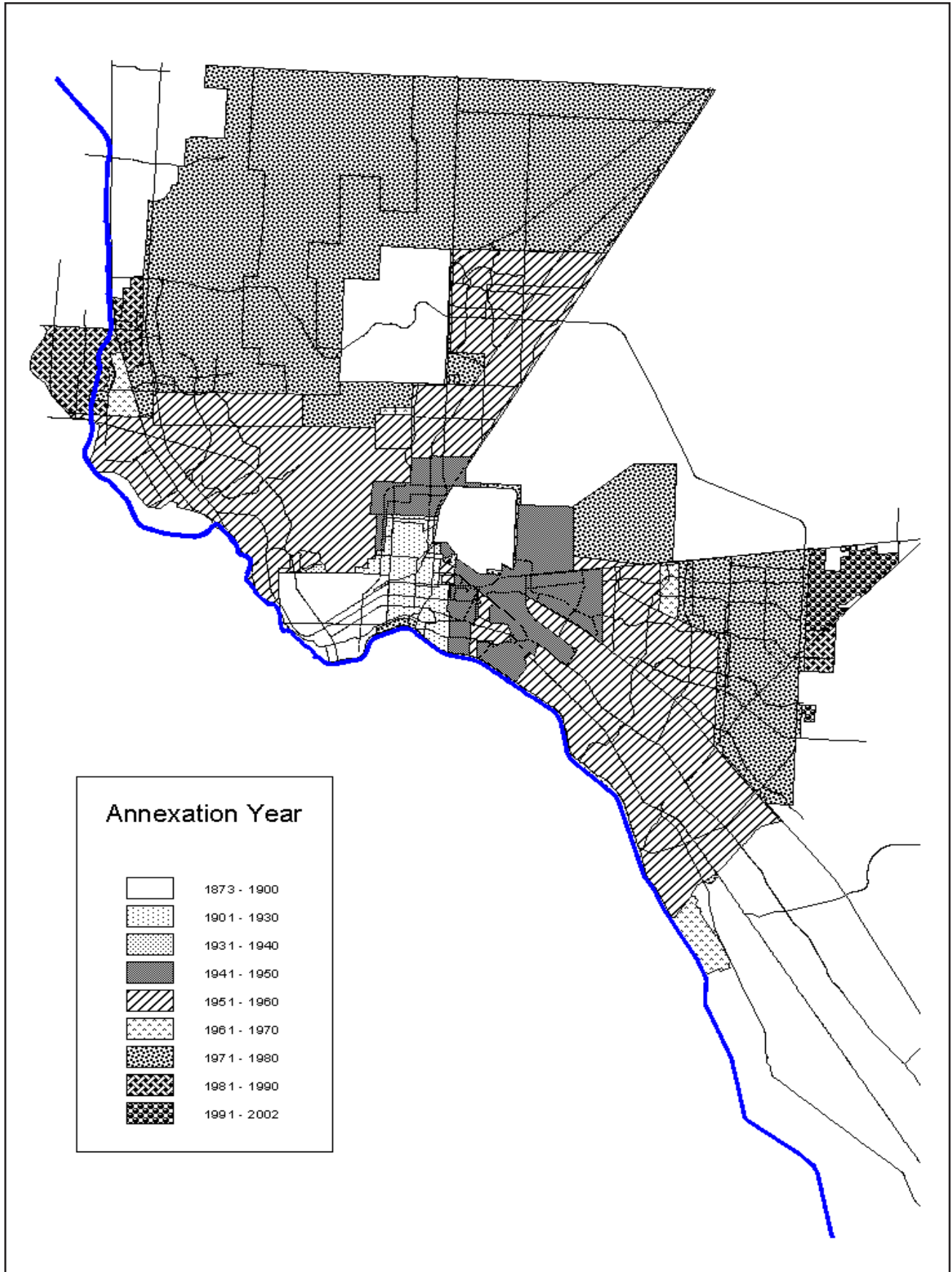
A Texas city may only annex land within its ETJ as set forth by state statute. The ETJ of a city is the contiguous unincorporated land adjacent to its corporate limits that is not within another city's ETJ.

The size of a city's ETJ varies according to its population, ranging from one-half mile for communities with less than 5,000 persons to five miles for cities having greater than 100,000 in population. El Paso has a five-mile ETJ as illustrated in Map 3. Of particular note in El Paso, existing jurisdictional boundaries dictate where the City may take annexation actions. The international boundary with Mexico to the south and the state boundary between Texas and New Mexico to the west and north of the City restrict its ETJ. Various smaller incorporated municipalities in the County, the Villages of Anthony and Vinton in the Northwest and the cities of Socorro, Clint and Horizon City in the East and their respective ETJs, also reduce the area of El Paso's ETJ and hence where the City can grow through annexation action.

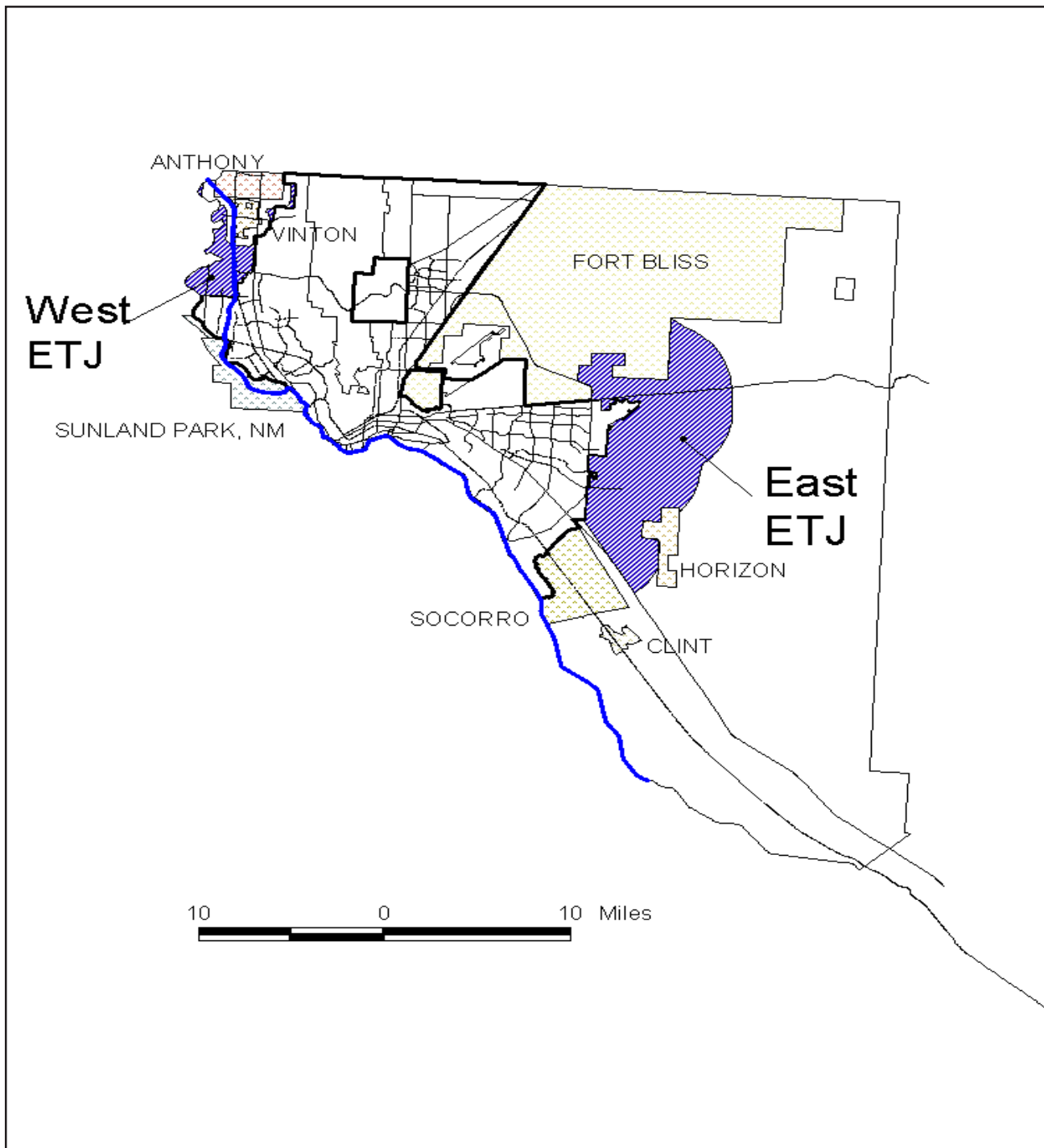
Chart 3. City of El Paso Population Per Acre, 1950 - 2000



Map 2. City of El Paso Growth By Annexation by Decade



Map 3. City of El Paso Extra-Territorial Jurisdiction



ETJ Size for Selected Incorporated Municipalities in El Paso County

El Paso - 5 miles

Socorro - 5 miles (subdivisions) and 2 miles (annexations)

Horizon - 1 mile

Anthony - 1/2 mile

Vinton - 1/2 mile

Clint - 1/2 mile

From an annexation perspective, a city's ETJ serves two functions. First, there is a statutory prohibition against a municipality annexing into another's ETJ. This provides each city with land that it alone can potentially annex. Second, cities are authorized to enforce their subdivision regulations within their ETJ. This is a means of ensuring that cities will not have to assume maintenance responsibilities for substandard infrastructure upon annexation.

Subdivision Platting

As stated in the Texas Local Government Code, Section 212.002, a municipality may enact subdivision regulations "to promote the health, safety, morals and general welfare of the municipality and the safe, orderly and helpful development of the municipality." The purposes for platting are generally to:

- regulate subdivision development and implement planning policies;
- implement plans for orderly growth and development within the city's boundaries and extraterritorial jurisdiction;
- ensure adequate provision for streets, alleys, parks and other facilities indispensable to the community;
- protect future purchasers from inadequate police and fire protection;
- ensure sanitary conditions and other governmental services;
- require compliance with certain standards as a condition prior to plat approval; and,
- provide a land registration system.

Table 2. Selected Annexation Actions (over 1,800 acres)

<u>Year</u> <u>Annexed</u>	<u>Annexed Area</u> <u>(Acres)</u>	<u>Cummulative</u> <u>Area (Acres)</u>	<u>Cummulative Area</u> <u>(Square Miles)</u>
1889	---	4,160.000	7.203
April 1948	4,543.000	15,875.600	24.806
December 1950	1,984.000	18,550.200	28.985
April 1953	7,424.000	26,727.400	41.762
August 1954	18,080.000	45,005.600	70.321
March 1955	21,096.900	66,101.600	103.284
August 1959	6,670.900	73,355.500	114.618
June 1971	2,138.640	77,654.382	121.335
February 1972	4,630.519	82,667.138	129.167
September 1973	16,819.200	100,245.443	156.634
December 1977	9,547.924	112,657.283	176.027
October 1978	25,523.180	138,209.466	215.952
December 1978	14,949.138	153,158.604	239.310
December 1987	3,377.476	158,259.401	247.280
November 1999	2,354.782	160,704.377	251.101

THE PACE AND DIRECTION OF GROWTH

Subdivision Activity

Within El Paso, the East and Northwest Planning Areas have sustained the highest subdivision activity for the past decade (1991-2000). The East Planning Area contained the highest number of platted acres (4,226) and platted residential units (14,275). Second was the Northwest Planning Area with 3,136 newly platted acres and 6,750 newly platted residential units. It is projected that this trend will continue for the next five years. With the exception of property annexed in 1999, vacant suitable land for residential development has become scarce in the eastside. An abundant amount of vacant land still exists in the Northwest and Northeast Planning Areas. The Central Planning Area has generated the least subdivision activity within the same period while the Lower Valley Planning Area has seen some subdivision activity mostly at the easternmost periphery of the area.

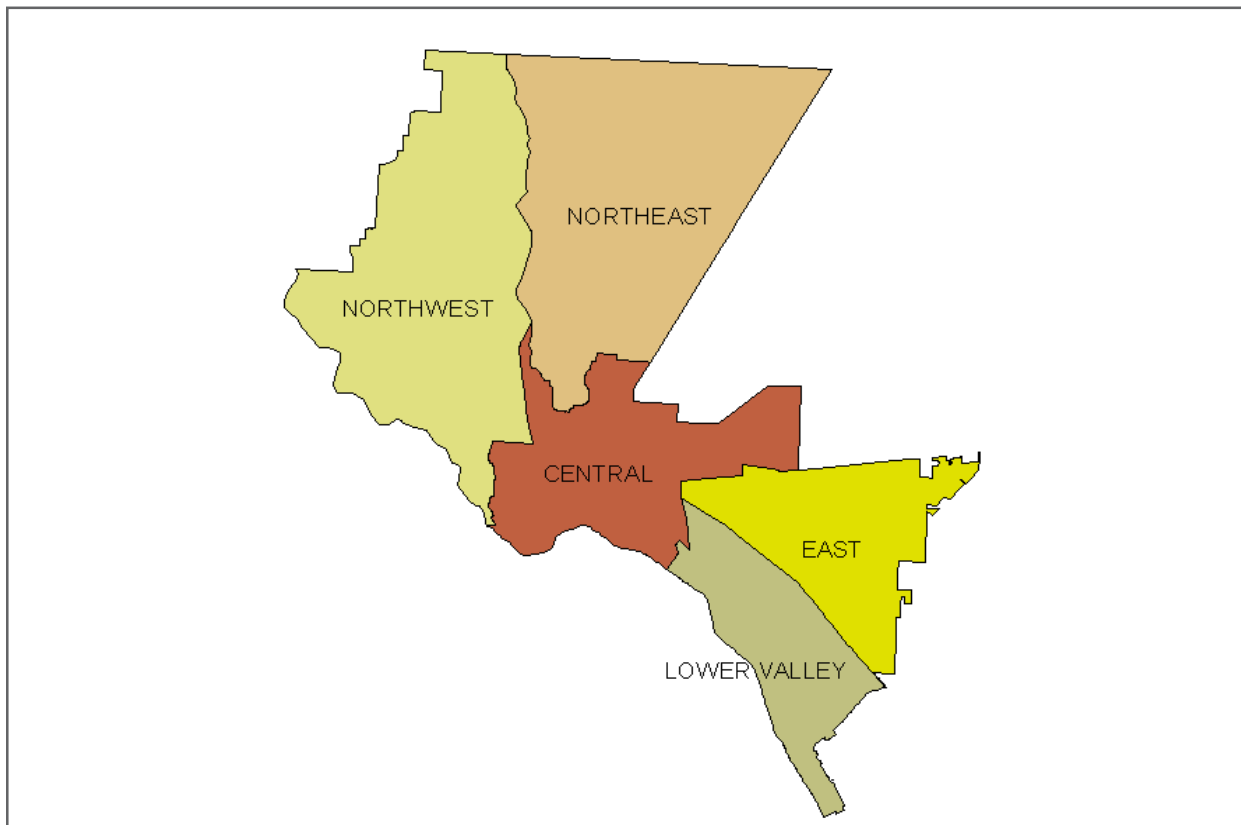
Table 3. Vacant Land Study by Planning Area

<u>Planning Area</u>	<u>Area in Acres</u>	<u>Percent</u>
Central	1,107.98	3.23%
East	1,791.84	5.22%
Lower Valley	2,782.58	8.10%
Northeast	17,990.70	52.39%
Northwest	10,667.94	31.06%
TOTAL:	34,341.05	100.00%

Table 4. Vacant Land Study by Growth Ring

<u>Development Ring</u>	<u>Area in Acres</u>	<u>Percent</u>
Core	19.17	0.06%
First Ring	313.84	0.91%
Second Ring	4,568.47	13.30%
Outer Ring	29,439.57	85.73%
TOTAL:	34,341.05	100.00%

Map 4. Planning Areas of the City of El Paso



Growth Strategies & Current Policy Options

A number of interrelated policy decisions determine the direction and pace of growth. In addition to annexation options, policies on redevelopment, downtown revitalization, the availability of water service and utility availability, mass transit and transportation expenditures also impact where and what development will take place.

Strategies

It is important to differentiate between the types of general strategies and the specific policies that impact growth. Though mostly a development issue, the overall strategies a municipality embraces are the ones that send a message about growth. The strategies should be a set of common and easy to verbalize goals. The strategies begin to specify which sets of tools a community can use to reach this goal. For purposes of this report, the general strategies include public investment, land use regulations and market approaches.

Public Investment

Public investment strategies include a wide range of decisions about how a city chooses to expend its funds. The question of where the municipality invests is as important as how the municipality allocates funds and what it chooses to fund. For example, expending resources to build better roads at the periphery of existing development may help to encourage additional growth in these areas. Some of these expenditures may be undertaken at the expense of older areas. Deferred maintenance of older areas, where there is limited investment in upgrading public infrastructure, is another general strategy that may lead to the deterioration of older areas. However, choosing differently may lead to alternative growth incentives in and of itself without further intervention on land development policies.

Commentary -

Different policies fall under each of the strategies listed. Strategies provide the framework for policy. For example, the public investment approach to redevelopment consists of a distinct set of policies that can include both actual investment into projects to make redevelopment more attractive and to policies that invest in specific areas to foster their redevelopment, without subsidy.

Land Use Regulations

These regulations are the traditional method by which growth is guided in almost all communities. Regulations are embodied in the subdivision, zoning and building codes of municipalities. Items that can lead to different outcomes are as diverse as allowing more or less parking at commercial centers, requiring bike lanes to be built for new development or requiring certain design standards in new subdivisions.



Market Interventions

Market interventions include diverse strategies and policies that offer a real monetary incentive for a desired action. Historic renovation tax abatement and subsidies for affordable housing development fall into this strategy category. Generally these policies provide either an additional financing source or the mechanism by which to make a project profitable and therefore buildable.

Growth Policy Options

Many factors influence the direction of growth. The City of El Paso has traditionally responded to development issues as requested. Direct development planning within a municipality focuses on requests for subdivision platting or rezoning, with an occasional request for annexation. As applications are processed and approved by the City, development proceeds. Growth guided by this approach is thus mostly dictated by factors outside the municipality, such as economic and market conditions. The focus of these development proposals is on land at the fringe of the urbanized area.

In El Paso, most of the vacant land within the City is located at the periphery of existing development, near the corporate limits as noted in the Vacant Land Study. Table 3 shows a breakdown by Planning Area of the vacant land within the City as of 2000. As a result, most new development occurs in areas that are farther from the inner core areas of the City. Table 4 shows the analysis of vacant land based on four generalized growth periods that is further illustrated in Map 5 (Map 5 on page 18 is further used as part of an Infill Strategy noted later in this report). In turn, this new development generally contains the highest valued property within the City for tax valuation purposes—adding to the City’s tax base as there is continued development. Development at the periphery consists mostly of single-family suburban subdivisions and commercial development concentrated along major thoroughfares though some infill development has also occurred. Various types of projects have been developed within older areas of the City—as new residential construction and adaptive reuse of older structures.

Continuing with the current policies should have the following results. These are listed as pros and cons and follow the same format as the next section of this report dealing with alternative policy direction.

Pros

- Traditional growth has steadily enlarged the City’s tax base.
- Understood by all parties involved in the development process.
- City does not need to make up-front allocations for infrastructure needs, except for major system upgrades.

Cons

- Is not generally transit-supportive.
- Most new development investment concentrated at the periphery of built-out areas.
- Requires new capacity-expanding infrastructure.

It is clear that municipal action can influence growth and development. In order to better list these policy options, several categories are provided generally:

- Annexation
- Redevelopment
- Fee structure
- Municipal Requirements (including Municipal Land Sales)
- Public Expenditure Direction

Annexation

Annexation is a highly politicized process and any request for annexation is carefully studied and debated. The current policy is to accept and process owner-initiated annexation applications only. With the last annexation action in 1999, a number of conditions were imposed on the annexed land to aid in municipal service provision.

Redevelopment

A number of efforts are underway on redevelopment. For example, there are some incentives for redevelopment in the form of public infrastructure investments within the downtown area that have occurred. There is an on-going downtown redevelopment initiative that seeks to capitalize on recent investments and further revitalize the area. In addition, despite the fact that there is no official program to promote infill development, a number of infill projects have been built.

Fee Structure

Development fee structures are the same for all development—both for planning and building related permits and processes. The connection service fees and rate structure are also the same throughout the City for water and sewerage utilities.

Municipal Code Requirements

The El Paso Municipal Code spells out requirements for development in detail. These include building and construction code (Title 18) provisions for construction work that include many public health and safety provisions, the subdivision code (Title 19) for subdivision platting and replatting and the zoning code (Title 20) for allowable land uses and their respective regulations. The city does not currently charge impact fees for development, a tool used by other communities in Texas to recoup costs associated with new development. The city, as part of the subdivision ordinance, does require either park fees or parkland dedication. Developers are currently required by Code to make most improvements for new development.



There is a unique situation where the City of El Paso, through the El Paso Water Utilities-Public Service Board (PSB), is the municipal land owner and manager for large portions of land within the corporate limits. The PSB holds and manages the land in trust and has sold land holdings in the past for private sector development. Generally, PSB land sales include covenants, conditions and restrictions (CC and Rs) that may require municipal service items—such as improved parks. These CC and Rs vary depending on the type of development proposed for the land to be sold, its location and the proximity of other development relative to the land to be sold. Additional excess land (acquired as right-of-way and unused for the project for which acquired or land acquired because of tax arrears) is sold by the municipality upon request after a review and open bid process where a finding is made that the land serves no municipal purpose and no legal impediment to its sale exists.

Public Expenditure Direction

The City of El Paso carefully budgets resources to maximize public infrastructure investments. As in most communities, the need for services and infrastructure often outweighs the allocated resources. The direction of public expenditures, therefore, is generally where the strongest need is.

Alternative Growth Policy Options

Annexation

Cities annex territory to provide urbanizing areas with municipal services and to exercise regulatory authority necessary to protect public health and safety. Annexation and the imposition of land use controls may also be used as a growth management technique. Various annexation policy options available to El Paso are discussed below.

Annex Entire ETJ

There are portions of the current ETJ that can be annexed quickly, particularly on the eastside. The area relatively easy to annex can be incorporated into the City for substantial control prior to development, one of the main advantages of this strategy.

Pros

- Promotes orderly growth through extension of city regulations.
- Expands City tax base and generation of additional tax revenues.
- Maximizes residential, commercial and industrial opportunities in annexed areas.
- Provides City services and public utilities to annexed areas.
- Prevents creation of new jurisdictional entities (water districts, utility districts or newly incorporated cities) to compete with City of El Paso.
- Allows planning and regulatory control before development occurs.

Cons

- City service extension may be cost prohibitive.
- Cost of utility (water & sewer) service and needed infrastructure may be cost prohibitive.
- May discourage infill development.
- May result in litigation costs to City involving owners of property not wanting to be annexed.

No Annexation

Contrary to annexing the entire ETJ, a no annexation policy may be implemented. One disadvantage of this policy is that growth may still occur outside of the corporate limits. This growth may be to a lower standard of development than that required under current municipal regulations. In the long run, this type of growth may be detrimental for the region and for the City.

Pros

- May provide City with infill development opportunities.
- Extension of municipal services not required and thus provides cost savings to City.
- Infrastructure extension costs reduced.

*Municipal Policies
Impacting Growth:*

Annexation

Redevelopment

Fee Structure

*Municipal Code
Requirements*

*Public Expenditure
Direction*



Commentary -
Limited Annexation can be differentiated from a full-purpose annexation. A full-purpose annexation incorporates an area into the city with full privileges and services as any other part of the community as the development in that area warrants such services. Limited annexation explicitly defers these investments for a set period of time, but provides for their provision within a set time period.

Cons

- Will shift growth to other areas/municipalities in the County in direct competition with the City.
- May lead to creation of new political jurisdictions (water districts) and/or new municipalities, making regional collaboration difficult.
- May cause creation of new haphazard and substandard developments in County areas.
- Limits future growth patterns of the City.
- Promotes regional sprawl.

Limited Annexation

State law permits limited annexation. This is an annexation action that does not immediately impose the provision of municipal services as other annexation actions require. However, there is a commitment by the municipality to provide the full range of municipal services to the area annexed in this manner within a set period of time. The primary advantages and disadvantages of this option are as stated below.

Pros

- Opportunity for City to annex land for purposes of applying planning, zoning, health, and safety ordinances.
- Property owners required to pay all planning and building fees.
- Allows City opportunity to program financing plan for municipal and capital expenditures to area.

Cons

- May require change to City Charter to permit limited annexation.
- City cannot collect tax revenue until full purpose annexation is completed.
- Allows City opportunity to program financing plan for municipal and capital expenditures to area.

Phased Annexation

Phased annexation is an annexation that details over a period of time how much land is to be incorporated into the city. Certain limits are placed as to how much land may be annexed within a certain time frame.

Pros

- Allows City to manage growth.
- Provides opportunity for City to annex based on its ability to provide services.
- Tool for orderly growth.
- City maximizes growth opportunities in both the periphery and infill for central areas.

Cons

- Restricts optimum growth opportunities in the periphery.
- Optimum tax base revenues not realized.
- Some haphazard and substandard development may result in County areas.
- May result in creation of new political jurisdictions.

Owner-Initiated Annexation

An owner-initiated annexation is one where the property owner of a piece of land outside the corporate limits petitions or applies so that his or her property is annexed. The process starts with the owner's request. An annexation action is generally a city-initiated process; however, owner-initiated requests begin a study and review process for annexation consideration.

Pros

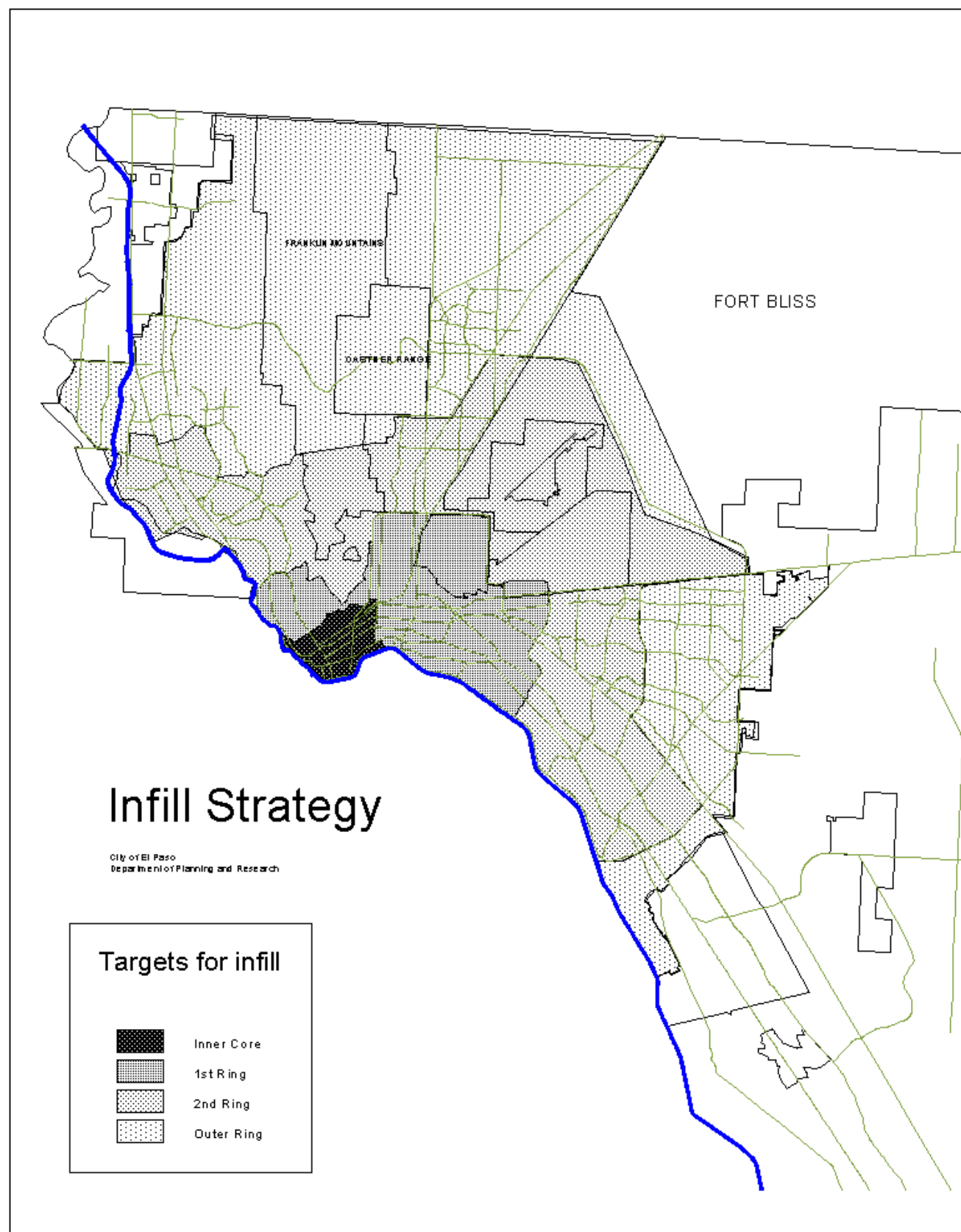
- Provides opportunity for City to enter into development agreements with owners that may be crafted to help pay for public service extensions including requesting fees for water and sewer connections.
- City would not be burdened with potential litigation with owners not wanting to be annexed.

Cons

- Municipal boundary problems could result, causing issues with emergency response departments.
- Optimum tax base revenues not realized.
- Properties to be annexed must meet state criteria; some property owners requesting annexation may not meet criteria despite a desire to be annexed.

Cities are authorized to enforce their subdivision regulations within their designated ETJ in the state of Texas.

Map 5. Generalized Development Rings for El Paso



Redevelopment Options

Redevelopment opportunities offer an alternative to new growth at the periphery. However, these options represent a shift from traditional subdivision growth and may be costly to implement.

Infill Development

Infill development is the development of vacant or under-used sites in already built-up areas; infill sites consist of skipped-over vacant lots either bypassed in earlier waves of development or cleared of older structures but not yet reused. Infill development can accommodate diverse uses based on availability of land, location, zoning and other regulations. Some local governments view infill development as a means of reducing infrastructure investment and maintenance burdens, improving the tax base and restoring vitality to declining older neighborhoods by infusing new investment dollars with ongoing preservation and rehabilitation efforts. Developers also find incentives for infill development primarily from locational advantages of sites close to existing commercial centers with services in place.

Pros

- Encourages community revitalization and revitalization of declining areas.
- Provides opportunities for nontraditional housing types.
- Can help reverse the trend of out-migration by younger and well-educated population cohorts.
- Local businesses can benefit from increased activity and demand for goods and services in areas that are economically stagnant or starting to decline.
- Reduced government cost to provide services; there may be economies of scale in providing public services for denser development and the cost per resident of service provision may fall as density increases.
- Can help to reduce long commutes, automobile use, and fuel consumption by creating housing close to the central city and public transit; infill near downtown served by existing bus routes may provide additional riders with practically no increase in service costs.
- Can be a tool to manage growth more optimally and improve the City's tax base.
- Can help alleviate affordable housing shortages and avoid the public cost of unplanned expansion.
- May provide opportunities for brownfield remediation.

*Municipal Policies
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***Infill Development:
Peripheral vs. land-locked
development.*** *Infill development is the development of vacant land in already built-out areas. At the edges of existing development, peripheral development is not necessarily infill development even if it is within the corporate limits. Within the corporate limits, developable vacant land is available at the periphery of existing development.*

Cons

- Vacant land may be oddly shaped or difficult to build on so that environmental, geographic and topographic concerns are issues to address.
- May need to demolish or remove the remnants of previous uses which may increase development costs.
- There is increased neighborhood opposition to developments that increase density and fear that higher density will alter the character of a neighborhood; opposition can result in a lengthy permit process and denial of applications.
- Infill development may result in small lot development that may be counter to a market preference for single-family houses on larger lots; most core city vacant parcels are small relative to the urban fringe.
- Incentives offered for this type of development may generate opposition from traditional developers.
- Availability of cheaper land on the urban fringe will continue to provide competition to urban vacant lands in built-out areas.
- Even with higher density allowances, smaller sites accommodate fewer total units, reducing potential for economies of scale that are possible with large tract subdivisions.
- Current regulations tend to have stricter standards that may cause difficulties when applied to preexisting lots thereby placing a higher burden on infill development.
- Adaptation of existing structures includes constraints imposed by historic preservation, environmental concerns, and existing code regulations.
- Existing public and utility infrastructure may not be adequate for a higher density; infrastructure may need repair, replacement or modernization.
- Viewed as a special type of development situation that involves greater risk and challenge to a developer and requires greater sensitivity to surrounding neighbors.
- Existing mass transit may not be attractive or adequate for denser development types; may take added infusion of public funds to bring up to desired service level.

Smart Growth

Smart Growth is a term that describes the efforts of communities across the United States to manage and direct growth in a way that minimizes damage to the environment, reduces sprawl, and builds livable towns and cities. One definition of smart growth is that it is intelligent, well-planned development that channels growth into existing areas, provides public transportation options, and preserves farmland and open space. Smart Growth focuses on three main goals: (1) emphasizes the concept of developing livable cities and towns; (2) calls for the investment of time, attention, and resources in central cities and older suburbs to restore community vitality; and, (3) advocates patterns for newly developing areas that promote a balanced mix of land uses and a transportation system which accommodates pedestrians, bicycles, transit and automobiles. Smart growth initiatives consist of a number of related policies and programs such as central city revitalization programs, infill development, neighborhood planning and carefully planned new development within urban growth boundaries. The term ‘smart growth’ refers to the combination of elements that promote the livable city goal.

Pros

- Limits outward extension that may reduce sprawl.
- Avoids leapfrog development.
- Is pedestrian-friendly by reducing dominance of vehicles.
- Limits strip commercial development.
- Can be combinations of efforts and programs working in concert.
- Promotes revitalization.

Cons

- Does not promote segregation of types of land uses in different zones, in contrast to community standards.
- Is perceived to be anti-development.
- A number of policies have to be in place and working in concert to be a usable tool and attain its stated goal(s).
- Is difficult to easily attain measurable results.
- May require funding sources to promote programs.
- May require community outreach to promote buy-in and avoid nimbyism.

Fee Structure Options

The fee structures for both utility service and permits also play a role in the development process. Fees can be both an incentive and a deterrent for new development.

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<i>Redevelopment</i>
<u>Fee Structure</u>
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Impact Fees

Impact fees are charges to developers for infrastructure attributable to new development such as drainage and flood control facilities, roads and utility connections. These fees are based on a plan adopted by the community in accordance with state law.

Pros

- New development pays for own infrastructure.
- Promotes planned development.
- Cost of serving growth can be measured.
- Requires City to more aptly identify land use goals within a Capital Improvement Plan program.

Cons

- Establishing and managing an impact fee process is arduous.
- Fees may increase development costs which may be passed on to consumers.
- Consultants needed to establish justification and fee schedule.
- Additional staff may be needed to implement program.
- City required to offset funding deficiencies if development programmed is not exact.

Graduated Impact Fees

Under a graduated impact fee program, fees for new construction or development would increase based on distance from the core area of the City. Areas would be established with the core paying the lowest or no fee and the furthest paying the highest fee. An advantage of this program is the incentive to invest in core areas of cities by having reduced fees or no fees.

Pros

- Strong incentive to focus new development in areas with lower or no impact fees.
- Encourages higher density development.
- Encourages infill development and redevelopment in areas closer to the core.

Cons

- Disincentive for development at the periphery may negatively impact tax base growth.
- Older areas of the City may have infrastructure that is out of date or under capacity that is cost prohibitive to bring into adequate standards.
- Infill promoted by tier system may be incompatible with existing residential neighborhoods (unattractive buildings on sites previously occupied by single-family homes; sharp rise in school-age children leading to overcrowded schools; etc.).
- Due to scarcity of developable land, escalates cost of housing.
- May stimulate development outside the City boundaries.

Graduated Permit Fees

Under this scenario, lower planning and permitting fees would be charged for new development in targeted areas in or near the City center. Higher fees would have to be carefully crafted to avoid any legal challenge. Older neighborhoods would continue to generate fees since homes built before 1960 need more repairs. The increased fees may not reduce the desire for additional single-family residences on the fringes of El Paso's growth areas.

Pros

- New growth pays higher fees.
- More cost effective.
- Promotes infill and redevelopment opportunities in core areas.

Cons

- Residents/Developers in outer ring areas may resist higher fees.
- Unequal treatment for same service may lead to litigation against City.
- The differential rate applied would have to be large to slow growth on the City's fringes and to serve as an incentive to shift development to core areas.

Graduated Utility Rate Differentiation

Differential utility rates would help the industry recoup the costs of installation during the development process. Existing regulations require installation of infrastructure as part of the subdivision process. The developer defrays the cost of installation of utilities by dividing the expense and incorporating such into the price of subdivided lots. The Texas Public Utilities Commission oversees rates charged by the Electric Company while other state and federal agencies may be involved in rate structures established by the natural gas, telephone, and cable-TV industries. Only a small portion of utility expenses is returned to El Paso by means of franchise agreements between the industry and the City. Water rates are not as dependent on regulatory agencies, but the cost of potable water is determined by the availability of water in the region, the wholesale cost of water and the expense incurred in treatment and conveyance. Long-term reduction in utility rates could influence the "bottom line" on improved affordability of new construction in the Central City (Map 5, Ring 1, page 18). Reduced utility rates might not produce the desired results of improving conditions in poorer neighborhoods, or translate into lower rental rates, or provide sufficient incentive for additional infill units.

Pros

- More money for utility companies to provide utility services.
- Lower fees in core areas may help lower-income households in those areas.
- More money for City.
- Incentive for infill development.
- Older homes have less insulation, less efficient heating.

Cons

- New growth area residents may resist higher rates.
- May need approval by the Public Utility Commission (PUC) and other regulatory agencies.
- Need to renegotiate city franchise agreements.
- Utilities are not necessarily cheaper to maintain in core areas.
- Differential would have to be large to slow growth on the City's fringes.
- Legal considerations must be taken into account prior to implementation.

Municipal Code Requirements

Municipal code requirements are varied. These requirements can range from building permit requirements to policies dictating code provisions or municipal land sales and the processing requirements for requests. Various regulations fall into this category.

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Municipal Land Sales

Municipal land sales are another method of generating revenue or controlling growth depending on the policy in place to direct these actions. In areas with large municipal landholdings, municipal land sales can be a policy that may guide growth in a determined manner. In addition, a land sale policy can incorporate additional requirements, such as only releasing for sale land that is adjacent to existing development rather than skipping sections to sell fringe property.

Land Sales per Phasing Plan

A phasing plan for municipal land sales sets a timeline for various amounts of land that can be sold during different time periods. This policy can be implemented in two ways. The policy can either identify particular parcels that are eligible for sale during a certain time period and therefore strictly guide where new development may occur. Or, the policy can cap the total land that can be sold in a certain period of time. For example, setting a policy that no more than one square mile can be sold every two years regardless of request or location is one way to achieve the later program. As the one square mile limit is reached within any given two-year period, no more sales are allowed until a new two-year period begins.

Pros

- Property develops in accordance to market demand and city regulations.
- Policy encourages phased development.
- Policy maintains the private economic market.

Cons

- Limited development control.
- Infill development closer to the core or where topographic problems increase cost of construction would be delayed.
- May not be as responsive to the market.



Municipal Land Sales with Conditions, Covenants and Restrictions (CC and Rs)

In this scenario, the municipality develops a master plan and zones the property accordingly. The property would then be put up for sale per the bid process and developers would build infrastructure to support the plan and then sell the land to builders/investors. Adherence to the plan would be insured through either deed restrictions/covenants or special contracts or both. This would insure that the land purchased later by buyers from the developers would be built in accordance with the concept plan. Restrictions could also be in place to only allow development to occur where the necessary infrastructure is in place.

Pros

- Municipal control of development.
- Higher price for land and thus more revenue generation.

Cons

- Does not allow for economic change or to respond to changing market conditions.
- Raises the price for land which may prove to be a disincentive to purchase land.
- Requires additional staff resources and possibly consultant services to determine the appropriate restrictions to be imposed on land.
- May force new development to other locations including to areas outside the corporate limits where standards are less strict.

No extension of water service beyond the ETJ

Making a decision to limit the extension of City water and sewer services outside the corporate limits can save money, reduce water use, and prove a strong disincentive for development outside the corporate limits. Freezing all extensions of water could solicit intervention by local political entities and possible comment from the Attorney General's Office concerning water access for the County's colonias.

Pros

- Saves City bond money used for infrastructure improvements.
- Reduces overall water use and projected water usage.
- Reduced need for water imports as overall projected water need is reduced.

Cons

- Water districts, not ETJ area dictate, service areas.
- Water districts outside of municipality may continue to provide service to these areas defeating the intent of such a policy.
- Reduces customer growth and profit potential for municipal water utility.
- May raise health issues in schools and colonias where unsanitary conditions may not be corrected.

Extend water service outside service areas at a premium rate

Another policy change policy related to water calls for water service and/or rates to be increased so that the cost for this service is higher outside the corporate limits. In addition, new development would have to pay for additional water and wastewater treatment plants, extension of water lines, salaries for additional employees, etc. in order to have new development pay for new infrastructure. In order for the region to plan in a comprehensive manner, avoid duplication of services and mismatches in construction materials, cooperation between the various water districts is critical.

Pros

- Saves City bond money used for infrastructure improvements.
- May have health improvement benefits.
- Reduced infrastructure need for municipal utility.
- Improves annexation value to land outside the corporate limits if service pays for itself in these areas.

Cons

- Unequal treatment for same service between areas with service and infrastructure and those without.
- Municipal water district may have to assume other water districts; such action is a politically sensitive issue and would entail many administrative and legal details to be worked out.
- May be a violation of state and federal regulations regarding water and sewerage provision.
- Overall water rates may be reduced if annexation occurs.

Establish Urban Growth Boundary

Under the urban growth boundary concept, local governments estimate the amount of land needed for new business, housing, recreation, etc., for a period of time. A line is drawn around this land creating a boundary within which projected development is to be accommodated. New development can occur within the boundary line but not outside it. Urban growth boundaries, or UGBs, are typically set for twenty years — long enough to be taken seriously but short enough to accommodate revision. Typically, the “inner” area is the “urbanizable” section where a city can accommodate its expected growth. These have successfully been used to contain future development, encourage more livable urban spaces and protect open space from development. The value of UGBs is not in drawing a fixed boundary, but in the pressure it exerts on municipalities to make a direct reckoning of the long-term costs of unplanned sprawl. UGBs virtually force a municipality to undertake a more sophisticated, long-term structural approach to fostering economic and community vitality — rather than just letting sprawl happen. UGBs provoke a discussion about other reforms, such as fair housing within a metro region, infrastructure spending, etc. Growth boundaries also allow states to target monies for transportation, schools, and sewers to those cities and counties that have taken steps to identify and implement boundaries and make regional plans.

Pros

- Helps to hold down the costs of public services and facilities.
- May increase property values within the UGB.
- Can lead to better coordination of city and county land-use planning as well as better coordination between municipalities.
- Can increase the certainty for those who own, use, or invest in land at the city’s edge.
- Encourages more livable urban spaces.
- Protects open space from development.

Cons

- May encourage rapid and uncontrolled development outside the UGB that may defeat the purpose of imposing a UGB.
- Increases property values within the UGB.
- May diminish affordable housing within UGB.
- Requires extensive coordination and planning in order to properly accommodate for the expected growth within the initial boundary.
- Legal review required.

City Assume Developer Role for Municipally-owned land

The vast majority of vacant land in El Paso is owned by the City and managed by the EPWU-PSB in the Northwest and Northeast Planning Areas on the fringe of existing development. After sale, land is privately developed with developers zoning and building the necessary infrastructure. In this scenario, the City would assume the role of developer in order to obtain a higher price for the property which in turn allows the City to control the density, land use, and timing of development.

Pros

- Land sold by the City would recoup higher value.
- Development and infrastructure would be controlled by the City.

Cons

- Available vacant land for private subdividers would be substantially reduced.
- Private sector complaints on economic and job loss to community.
- City would need to hire additional staff.
- Development outside the City would increase.
- Private sector can install infrastructure at a lower cost and more quickly because they are not subject to City building procedures.

Institute Affordable Housing Requirements for New Development

For each new development, infill development, or redevelopment that involves the construction of housing units, requirements could be set requiring that a minimum percent of the units meet affordable housing criteria to be established by the City.

Pros

- Insures mixed income developments and prevents isolation of less affluent individuals.

Cons

- Private developers may not be able to attract buyers to exclusive developments.
- Legal review required.

Institute Affordable Housing Requirements in Infill /Core Areas for New Development

This scenario differs from the previous one in that in order to develop on the fringe, the developer must provide either within his own proposal or within the core area a set percent or number of affordable housing units. The affordable housing units could be located as new construction on the periphery or fringe or within the core area where housing could be new, restored, converted, or rehabbed single family or multi-family units.



THE PACE AND DIRECTION OF GROWTH

Pros

- Housing construction would occur both in new and older areas of the community; thereby, preserving existing units and allowing for city expansion.

Cons

- If all housing built in the core is only targeted for the affordable category, then mixed income development may be prevented from occurring.
- Legal review required.

Amend Tax Rate By Targeted Area

Vacant land within the corporate limits would be taxed based on zoning and not have a differentiation based on whether it is developed or not. This would encourage holders of vacant land to develop property rather than holding for speculation purposes.

Pros

- Additional tax revenues for taxing entities.
- Land speculation would be discouraged.
- Annexed land would be developed in a timely fashion.

Cons

- Property ownership would be concentrated and only those individuals with sufficient resources would be able to undertake new development.
- Land development outside the corporate limits would be encouraged.
- Annexed land would be developed in a timely fashion.
- Legal review and change in Central Appraisal District (CAD) property valuation criteria required.

Variable Tax Rates Based on Distance from Core Area

Under this scenario, property in the core area would have lowest tax rate and property furthest from the core would have the highest rate. A legal review is necessary to determine the legality of this alternative.

Pros

- Encourages infill development and vacant land within the core area.
- May encounter opposition from property owners charged higher tax rates.

Cons

- Discourages skip development.
- Requires a different approach to tax valuation.
- Legal review required.

Institute Equitable Development Standards Between City and County

Adoption of subdivision and development standards by the County would be a major step forward in creating equity in both jurisdictions. Estimating that the City's standards are more complex, with a long standing record of success, it makes sense that they would be used as a model. Everyone would benefit from improved standards. Development, construction, and infrastructure would all prove beneficial. If development outside the corporate limits was built to exacting standards, annexation into existing incorporated municipalities would be less onerous. At present, there are no personnel to oversee this standard outside the corporate limits.

Pros

- May be a replication of what the County is doing through its Community Development Department on a more limited scale.
- May improve colonia's infrastructure.
- Improves annexation value for land within the ETJ.

Cons

- Paving, curb, sidewalk and gutter is expensive.
- No water, sewer, street infrastructure for connections exists.
- County has limited existing standards.
- Enforcement and inspection issues to be resolved.
- May require state approval and changes to state law.

Apply building code provisions within the ETJ

El Paso County is one of a limited number of county jurisdictions in Texas to have limited zoning powers. Those powers are expressed within the County's portion of the Mission Trail Historic District and required a change to state law that granted such powers. Using incremental increases, perhaps the County could expand their review and enforcement area for zoning control. The County's Community Development Department is currently requiring grant-funded housing to be built using City standards. Licensed personnel conduct plumbing and structural inspections on such housing units and corrections are required to obtain contractor payments. Combining the efforts of both the City and County to provide standard and safe construction, and preserve limited financial resources within the region, could be placed under a consolidated City/County Building Department. Standard development and construction could reduce the cost of annexation by local municipalities.

Pros

- Higher quality construction in these areas may improve colonias infrastructure and colonia conditions.
- Annexation value improves within the ETJ.
- Safer buildings may be built in these areas.
- Consolidation of agencies may be required.

Cons

- County will need to create new code provisions and may need to set up processing and enforcement procedures.
- May be harder to annex in these areas if conditions improve substantially as residents may not want to be annexed for very similar services.
- Requires change in state law granting this authority to county government.



Adequate Public Facilities Ordinances (APFO's).

Adequate Public Facilities Ordinances base development approvals under zoning and subdivision laws on specifically defined public facility capacity standards. These are regulations that control the timing of development approvals by preventing development from occurring or moving forward until local public facilities are deemed to be “adequate” for such development. This technique ensures that development does not occur until there is a public ability to pay for new services, a clear demand for services, and finally, the necessary infrastructure.

Pros

- Forces review of facility capabilities available to serve prospective development (adequate programming of capital facility improvements).
- Allows “local” definition of adequacy through formula basis.
- Encourages infill development in areas well served by public facilities.
- Ensures that new development has adequate urban services.
- Gives local governments more control over timing and location of new development.
- Encourages growth push to desirable locations by focusing improvements in that area.
- Requires all units of government responsible for public facilities to communicate and track the capacities of their individual systems.
- May create reinvigoration in the downtown area or other aging neighborhoods.

Cons

- Does not address who corrects existing problems or who bears burden of cost.
- Forces community to correct pre-existing deficiencies to justify adequacy rule on new development.
- Remedies must be provided to avoid potential claims for regulatory takings from developers and landowners.
- May drive potentially good development away because of inordinate regulations.
- APFO regulations usually do not differentiate among sources of impacts (traffic congestion from other outlying jurisdictions, regional air quality problems, etc.).
- Potentially forces developers to forego affordable housing development due to levels of adequacy requirements.
- Requiring high levels of service may discourage high-density development, which may in fact be encouraged.
- Places strain on capital improvement budgets due to need for public facility upgrades.
- Often easier for developers to build new adequate public facilities at the fringe than it is to retrofit existing systems in built-out areas to adequate levels.
- May hold back or deny a project approval on a desired form or type of development because public facilities are inadequate.
- Developers may elect to develop in rural outlying areas, resulting in a lack of revenue to the local government, a loss of job opportunities, and a potential for regional sprawl.

Transfer of Development Rights (TDRs)

A TDR program simply means that owners of property have the opportunity to sell off and send potential development off of certain areas to a receiving site. Ideally, this technique is intended for protection of environmentally sensitive sites to an area that has no environmental features. The receiving site is located in or next to existing development served with public utilities. TDR's shift development from resource protection areas to designated growth zones closer to municipal services. A protected area is then preserved with the use of conservation easements. This technique may also be used to target areas that are not environmentally sensitive, but solely to allow developers to realize greater density as an incentive to develop in growth zones.

Pros

- Used to preserve agricultural land, natural open spaces and protect sensitive habitats for flora and fauna.
- Encourages higher-density developments and clustering.
- Potentially promotes more new housing in urban areas.
- Pulls housing construction patterns back to urbanized areas.

Cons

- Forces programs to ensure that public facility overload will not result from TDR density.
- Potential for takings claim.
- Negative public opinion and disapproval in receiving areas for extra density.
- May drive affordable housing projects to other areas.

Public Expenditure Direction

In addition to particular policies impacting the regulatory tools that guide growth, the expenditure of public funds also influences the location of growth or redevelopment. In many instances, monetary compensation is the strongest incentive to direct new development and growth. Various incentives as well as redirection of current public expenditures can be part of a land development and growth strategy.

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Direction**

Implement Tax Abatement for Infill and Redevelopment

A program for tax abatement for infill and redevelopment projects can be instituted. Generally these programs freeze the tax value of a property for a given year despite the fact that added value is added as a result of either new construction on infill parcels or rehabilitation for redevelopment. The improvement value added is not taxed immediately and therefore functions as an additional incentive for this type of project. The program itself can be structured in various ways. A five year tax freeze with a gradual five year full value taxation on improvements is one way of structuring. There are numerous ways to structure a tax abatement program to encourage development of infill parcel and redevelopment parcels. Such a program can also target different areas for additional abatement and can strictly spell out the outcomes expected from infill and redevelopment to qualify for the tax abatement.

Pros

- Monetary incentive is strongest for infill and redevelopment projects as these projects are often cost-prohibitive without incentives.
- Standardized process can target certain areas and therefore meet program goals quickly.
- A widely used program with proven results in other communities, therefore, may be replicated from successful models.
- Can be combined with other non-monetary incentives to get “more bang for the buck.”

Cons

- Reduces municipal tax revenues for the City that could be gained from the added value of improvements.
- May generate opposition from property owners of areas that are ineligible to participate.
- Needs to be carefully structured to ensure the overall benefit outweighs the revenue loss.



Historic Building Rehabilitation Tax Abatement Program

The focus for this policy is on historic districts and structures so that the tax abatement is targeted for these areas and structures. The program functions and can be established similarly to the tax abatement program previously identified.

Pros

- Monetary incentive is amongst strongest for rehab projects, especially for historic rehabilitation which is usually a very costly endeavor.
- Targeting is very specific and program can be structured with well-defined outcomes.
- Similar programs are in place in other communities that can be easily replicated.
- Can be combined with other similar incentive programs to get “more bang for the buck.”

Cons

- Reduces municipal tax revenues for the City that could be gained from the added value of rehabilitation improvement.
- May generate opposition from property owners of areas that are ineligible to participate even if they have similar costs for rehabilitation of older non-historic structures.
- Historic rehabilitation which is usually a very costly endeavor and requires Historic Landmark Commission review and approval, a sometimes contentious and lengthy review process.

Refocus transportation investment to desired areas

Extending transportation infrastructure is essential to opening new areas to growth. Controlling the scope of new transportation investment can encourage a compact urban form. Allocating money to maintenance and redevelopment of existing areas can restrict growth in new areas and encourage infill. With well over \$100 million allocated each year in state and federal transportation funds to projects in the region, half of this money is from categories over which the Metropolitan Planning Organization (MPO) Transportation Policy Board (TPB) has discretion to select projects directly. The Texas Department of Transportation (TxDOT) controls the remaining funds. The MPO could be used as a forum to debate alternative growth policies for the region and to program federal transportation dollars to projects that support the City’s land development and growth policy.

Pros

- Raises the cost of fringe development relative to infill.
- Could help reduce auto use and increase public transit ridership.
- Source of money for redevelopment projects.
- Brings growth debate to region-wide level.
- May help to spur mass transit alternatives to be developed.

Cons

- City does not control a majority of votes and may face opposition or backlash.
- Could result in congestion problems in existing and new auto oriented areas.
- May result in discontinuity between jurisdictions or between current and future plans.

General Recommendations

Limiting the location of development will not solve the problems of growth alone. New growth and development needs to be accommodated in the City for it to remain economically stable and socially vibrant. However, the location and type of new development can make an impact on existing areas of the

Monetary incentives are often the best incentives to achieve a desired outcome, however, the benefits have to be carefully weighed against the potential revenue loss to maximize municipal investment. Certain capital improvements can also be classified as incentives for various types of development and can maximize the return of investment for both private and public investments.

community in the short and long term. An appropriate mix of different options is necessary to ensure that adequate municipal controls are extended and that the problem is not simply displaced to other jurisdictions or outside the corporate limits. The best opportunity to utilize existing infrastructure and maximize development opportunities is urban infill and redevelopment. However, it is important to recognize that infill sites, both urban and suburban, will not absorb the demand for all new development. As highlighted in this report, existing infill acreage may not be adequate to accommodate the local historical rate of growth. Many of the infill sites have special concerns and constraints—including economic decline, older infrastructure and nimbyism concerns—that make their development even more problematic. It is recommended that components of smart growth at a neighborhood and regional scale be pursued with additional strategies addressing the various policy questions that impact growth.

It is important to note that there are costs associated with any option to be pursued. Some of these costs will be immediate, as would be the case for tax abatement programs for historic renovations, while some costs will develop in the long term, for example as a result of deferred maintenance on existing utility infrastructure. Additional research and study is needed to clearly identify the short and long term impacts of any policy option(s) selected. A long term vision for the community can be realized by making the appropriate policy choices with the recognition that there are costs and trade-offs associated with the policy choices selected.

General report recommendations follow.

- Develop an annexation plan that clearly identifies the areas eligible for annexation and a timeline for which eligible areas are to be annexed. The plan should have a twenty to thirty year horizon.
- The annexation plan shall include a service provision phasing plan that realistically sets timelines for service provision; the service plan needs to be in line with the municipal Capital Improvement Plan (CIP).



- Recommend that the City generally not release its ETJ to other municipalities as this limits the municipality's area of control within the ETJ except under special consideration.
- The annexation plan shall include an analysis of recommended funding sources for services in areas to be annexed (see sidebar for elements of a plan).
- Institute a municipal Capital Improvement Plan (CIP) program that accurately depicts services available and recommended improvements and projects (whether for development as infill, redevelopment or annexation). The CIP should serve the corporate limits and comprehensively combine all municipal projects though different funding sources and selection processes may continue to be used to identify and fund these.
- Recommend changes to the subdivision code to have new development be required to either abut existing development or be within a certain distance of existing utility service; in addition, clearly define specifications for permitting development at the periphery of the urbanized area.
- Implement a Rehabilitation Code within the building and construction code (Title 18) that allows more flexible standards for compliance of structures rehabilitated.
- Using information in the Vacant Land Study, identify vacant and under-utilized sites with a strong potential for infill development; once identified, determine the type of infill that can be placed on such parcels and develop real estate marketing proposals.
- Develop criteria for encouraging infill development and promote a program to increase the number of infill projects developed.
- Begin a smart growth initiative that examines ways in which to amend current regulations and support development projects that advocate development approaches for "livable communities."

Minimum Elements of an Annexation Plan:

- Recognizable boundaries to be annexed;
- Annexation boundary eligible for annexation by time periods;
- Clear policy on releasing ETJ to other municipalities;
- Constraints of annexation within different parts of the city recognized within annexation plan;
- Plan must detail criteria to be followed in order to make a favorable recommendation for annexation;
- All favorable recommendations must be in compliance with the annexation plan guidelines;
- Institute a Capital Improvement Program that can serve to facilitate decision-making on annexation decisions.

Characteristics of
Parcels Where infill
may be desirable:

- *Blight analysis factor, especially for parcels that will be offered subsidized packages;*
- *Incentive Packages developed for different types of infill with at least 3 types of infill identified and one type being minimal encouragement and the other extreme being one for which the most incentives are offered;*
- *Strongly encourage infill development where land has been passed over by other development;*
- *Consider monetary & other tools to encourage infill development including construction subsidies, graduated permit fees, tax abatement, an expedited review process and regulatory relief for these development types.*

- Increase communication to the greater community about the impacts of growth and alternative development scenarios that incorporate smart growth initiatives. Have a public campaign to better explain the pros and cons of various alternative development types and trends.
- Amend regulatory requirements to facilitate developments with smart growth criteria.
- Promote smart growth initiatives as a development and redevelopment alternative with the understanding that change is gradual.
- Have smart growth initiatives focus on neighborhoods and actively promote neighborhood amenities as part of these initiatives.
- Have the City serve as the catalyst for smart growth projects.
- Encourage more public/private partnerships for smart growth projects.
- Develop financing packages for developments that fit the smart growth criteria.
- Consider imposing impact fees for streets, water, wastewater and storm drainage infrastructure in the City.
- Amend existing regulations to require infrastructure development to the extent allowable by state law.

APPENDIX A
CITY OF EL PASO ANNEXATIONS

<u>DATE</u>	<u>ANNEXED AREA</u>		<u>CUMULATIVE AREA</u>	
	<u>ACRES</u>	<u>SQUARE MILES</u>	<u>ACRES</u>	<u>SQUARE MILES</u>
1873-89	4,610.000	7.203	4,610.000	7.203
01/14/07	1,435.000	2.242	6,045.000	9.445
09/14/16	360.000	0.563	6,405.000	10.008
03/20/19	805.000	1.258	7,210.000	11.266
06/06/19	100.000	0.156	7,310.000	11.422
12/20/21	1,320.000	2.063	8,630.000	13.484
10/23/24	10.000	0.016	8,640.000	13.500
11/16/39	115.500	0.180	8,755.500	13.680
12/05/40	40.000	0.063	8,795.500	13.743
05/01/41	54.500	0.085	8,850.000	13.828
08/29/46	6.600	0.010	8,856.600	13.838
08/28/47	778.000	1.216	9,634.600	15.054
11/20/47	1,601.600	2.503	11,236.200	17.557
02/05/48	96.400	0.151	11,332.600	17.707
04/01/48	4,543.000	7.098	15,875.600	24.806
04/15/48	20.400	0.032	15,896.000	24.838
04/15/48	64.000	0.100	15,960.000	24.938

APPENDIX A (continuation)
CITY OF EL PASO ANNEXATIONS

<u>DATE</u>	<u>ANNEXED AREA</u>		<u>CUMULATIVE AREA</u>	
	<u>ACRES</u>	<u>SQUARE MILES</u>	<u>ACRES</u>	<u>SQUARE MILES</u>
02/27/69	321.780	0.503	75,326.400	117.698
08/21/69	155.879	0.244	75,482.279	117.941
05/07/70	13.950	0.022	75,496.229	117.963
11/19/70	19.513	0.030	75,515.742	117.993
06/03/71	2,138.640	3.342	77,654.382	121.335
12/02/71	193.200	0.302	77,847.582	121.637
01/13/72	189.037	0.295	78,036.619	121.932
02/17/72	4,630.519	7.235	82,667.138	129.167
05/18/72	643.871	1.006	83,311.009	130.173
07/26/73	73.954	0.116	83,384.963	130.289
08/16/73	41.280	0.065	83,426.243	130.354
09/20/73	16,819.200	26.280	100,245.443	156.634
03/21/74	1,278.908	1.998	101,524.351	158.632
04/18/74	20.000	0.031	101,544.351	158.663
04/25/74	15.500	0.024	101,559.851	158.687
05/23/74	102.578	0.160	101,662.429	158.848
07/25/74	197.680	0.309	101,860.109	159.156
12/19/74	14,285	0.022	101,874,394	159,179

APPENDIX B

Terminology

Adaptive Reuse - the conversion of obsolete or older buildings from their original or most recent use to a new use, for example, changing from an industrial building to residential lofts.

Annex - to incorporate a land area into an existing district or municipality, with a resulting change in the boundaries of the annexing jurisdiction.

Annexation – the process of incorporating land within the domain of a municipality and thereby extending the corporate boundaries, rights, privileges and responsibilities of the city.

Capital Improvements Program (CIP) – a program, administered by a city or county government, which schedules permanent improvements, usually for a minimum of five years in the future, to fit the projected fiscal capability of the local jurisdiction.

Commentary - the terms contained in this portion of the report are important to define so that the implications of these are clearer in the policy section of the report.

Capital Improvement Plan - a description of the approximate location, size, time of availability, and estimates of cost for all facilities or improvements planned for a jurisdiction generally reviewed annually. Such plans may be the basis for levying development impact fees. The types of facilities typically covered by the plan include: public buildings; facilities for the storage, treatment, and distribution of water; facilities for the collection, treatment, reclamation, and disposal of sewage; facilities for the collection and disposal of storm waters and for flood control purposes; transportation and transit facilities, including but not limited to streets and supporting improvements, roads, overpasses, bridges, harbors, ports, airports, and related facilities; parks and recreation facilities, any other capital project.

Compatibility - the characteristics of different uses or activities that allow them to be located near each other without creating conflict.

Developable Land - land that is suitable as a location for structures and that can be developed free of hazards to, and without disruption of, or significant impact on, natural resource areas.

Developer - an individual who or business that prepares raw land for the construction of buildings or causes to be built physical building space for use primarily by others, and in which the preparation of the land or the creation of the building space is in itself a business and is not incidental to another business or activity.

Development - the act, process or result of developing.

Development Rights, Transfer of (TDR) - a program that can relocate potential development from areas where proposed land use or environmental impacts are considered undesirable (the “donor” site) to another (“receiver”) site chosen on the basis of its ability to accommodate additional units of development beyond that for which it was zoned, with minimal environmental, social, and aesthetic impacts.

APPENDIX B (continuation)

An example of one kind of a dedication exaction is a condition requiring the applicant to dedicate and improve roadways, provide easements or public greenbelts. Alternatively, an agency may require an owner or developer to pay fees to finance public improvements. These are sometimes referred to as "monetary exactions."

Exaction - an exaction is a specific form of condition on a public agency's approval of a development proposal. There are typically two kinds of exactions required by public agencies: dedications and fees. A dedication typically involves the provision of a benefit to the public as mitigation for the impact of a proposed project on public facilities.

Extraterritorial Jurisdiction (ETJ) - the contiguous unincorporated land adjacent to a municipality's corporate limits that is not within another city's ETJ and is not part of another incorporated municipality. Limited municipal regulations may be applied in the ETJ such as subdivision regulations.

Growth – a stage in the process of growing; the process of growing. In the context of urban development, it refers both to development in the process of being built and the already developed areas.

Growth Management - the use by a community of a wide range of techniques in combination to determine the amount, type, and rate of development desired by the community and to channel that growth into designated areas. Growth management policies can be implemented through growth rates, zoning, capital improvement programs, public facilities ordinances, urban limit lines, and other programs.

Housing Density - the number of dwelling units permitted per acre of land.

Impact Fees – a one-time capital recovery charge assessed to any development that places new or expanded demand on a municipal system. The fee represents the capital cost incurred by the service provider in extending or expanding the requisite service to a new development.

Infill development – the development of vacant land (usually individual lots or left-over properties) within areas that are already largely developed.

Leap-frog development – new development that is not contiguous to existing development.

Mixed-Use Development - some combination of housing, commercial, office, industrial, and other land uses on a single site.

NIMBY – the acronym for "not in my back yard" is a term used to describe citizens' desires to prevent certain undesirable land uses from locating near their homes or communities. NIMBYism – refers to such an attitude.

Overlay - a zoning designation on a zoning map, that modifies the basic underlying designation in some specific manner.

Performance Standards - zoning regulations that permit uses based on a particular set of standards of operation rather than on particular type of use. Performance standards provide specific criteria limiting noise, air pollution, emissions, odors, vibration, dust, dirt, glare, heat, fire hazards, wastes, traffic impacts, and visual impact of a use.

Regulation - a rule or order prescribed for managing government.

APPENDIX B (continuation)

Reuse – replacement of building(s) or retrofit and expansion of existing building(s).

Restore - revitalizing, returning, or replacing original attributes and amenities, such as natural biological productivity, aesthetic and cultural resources, which have been diminished or lost by past alterations, activities, or catastrophic events.

Rezoning - an amendment to the map and/or text of a zoning ordinance to effect a change in the nature, density, or intensity of uses allowed in a zoning district and/or on a designated parcel or land area.

Smart Growth – a relatively new development concept, only broadly defined in the literature, which focuses on development approaches that redirect new development to areas that can best accommodate it as part of an all encompassing philosophy. Smart growth uses a combination of tools including traditional neighborhood design, flexible zoning, transit-supportive design, and infill development incentives to achieve its goal.

Sprawl – haphazard growth or outward extension of a city resulting from uncontrolled or poorly managed development. Sprawl is characterized by piecemeal extensions of basic urban infrastructures such as water, sewer, power, and roads.

Subdivision - the division of a tract of land into two or more defined lots, parcels, plats, or sites, or other divisions of land which can be separately conveyed by sale or lease, and which can be altered or developed

Subdivision platting – the process by which the physical layout of public and private land uses, including the necessary public rights-of-way, easements, and drainage systems to serve residential, commercial, industrial, and public land uses are laid out.

Undevelopable - specific areas where topographic, geologic, and/or surficial soil conditions indicate a significant danger to future occupants and a liability.

Urban Growth Boundary - an officially adopted and mapped line dividing land to be developed from land to be protected for natural or rural uses. Urban growth boundaries are regulatory tools, often designated for long periods of time (20 or more years) to provide greater certainty for both development and conservation goals

Urban land - urban areas are those places which must have an incorporated city. Such areas may include lands adjacent to and outside the incorporated city and may also have concentrations of persons who generally reside and work in the area and have supporting public facilities and services.

Sprawl is better defined by several of its characteristics:

(1) unlimited outward extension;

(2) low-density residential and commercial settlements;

(3) leapfrog development;

(4) fragmentation of powers over land use among many small localities;

(5) dominance of transportation by private automotive vehicles;

(6) no centralized planning or control of land-uses;

(7) widespread strip commercial development;

(8) great fiscal disparities among localities;

(9) segregation of types of land uses in different zones;

(10) reliance mainly on the trickle-down or filtering process to provide housing to low-income households

-Ten traits outlined by Dr. Anthony Downs, The Brookings Institute

APPENDIX B (continuation)

Urbanizable lands - those lands determined to be necessary and suitable for future urban uses which can be served by urban services and facilities and are needed for the expansion of an urban area.

Use - the purpose for which a lot or structure is or may be leased, occupied, maintained, arranged, designed, intended, constructed, erected, moved, altered, and/or enlarged in accordance with the City zoning ordinance.

Vacant - lands or buildings that are not actively used for any purpose.

Zoning – a police power measure in which the community is divided into districts or zones for various classes of land use — such as agricultural, residential, commercial, and industrial — for the purpose of regulating the use of private land; zoning usually includes standards for permitted uses, density, height, setbacks, landscaping, signs, and parking. Rezoning is the process of changing the zoning district to allow a different use on property.

